GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:157
ANSWERED ON:25.04.2016
Import of Petroleum Products
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government has revised/ proposes to revise purchase/import policy of crude oil and strategic storage of crude oil and if so, the details thereof and the salient features of the same;
(b) the details of domestic production and consumption of petroleum products including petrol, diesel, LPG, CNG, crude oil and gas capacity of public and private sector companies during each of the last three years, Oil Marketing Companies (OMCs)/product-wise;
(c) whether there is a demand and supply mismatch in the production of petroleum products in the country, if so, the details thereof along with steps taken/ being taken by the Government to remove this mismatch and meet the domestic demand of petroleum products in the country and to reduce the expenditure incurred on fuel subsidy and dependence on import of crude oil/petroleum products during the said period, product-wise;
(d) the quantum of crude oil and LPG imported and amount spent in terms of rupee and dollar on import of crude oil and LPG from various countries including Saudi Arabia and other Middle East countries during the said period, country wise; and
(e) whether State-owned oil companies are reportedly purchasing crude oil from extremist group linked oil companies in the Gulf region and if so, the details thereof along with action taken by the Government in this regard?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN)
(a): The Government has decided that Oil PSUs may formulate policies for import of crude oil in their best commercial interest and in accordance with the extent guidelines of the Central Vigilance Commission etc.
The Government, through Indian Strategic Petroleum Reserve Limited (ISPRL) has constructed crude oil reserves at Visakhapatnam & Mangalore. Crude oil storage reserve at Padur is under construction. The total storage capacity of these reserves is 5.33 MMT.
(b): The details of domestic production and consumption of petroleum products including crude oil produced by public and private sector companies during each of the last three years are given in Annexure-1.
(c): The existing refining capacity, as on date, is sufficient to meet domestic demand of POL products (except for LPG and lubricants)and some of the products are exported. Any increase in existing refining capacity will give rise to surplus POL products resulting in consequential increase in quantum of exports. The measures being taken to reduce import dependency are as under:
i. Increasing production of oil & gas
ii. Energy conservation and efficiency
iii. Demand substitution
iv. Promoting alternate fuels/renewable
v. Improvement in refinery processes.
(d): The quantum of crude oil and LPG imported and amount spent in terms of rupee and dollar on import of crude oil and LPG from various countries including Saudi Arabia and other Middle East countries during the last three years and 2015-16 (up to February) is given in Annexure-2.
(e): Public sector OMCs procure crude oil as per Crude Import Policy. Crude Oil is procured on term and spot basis from NOCs and other registered parties with OMCs.
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